VZCZCXRO5151 PP RUEHBZ RUEHDU RUEHMR RUEHPA RUEHRN RUEHTRO DE RUEHUJA #1996/01 3031940 ZNY CCCCC ZZH P 301940Z OCT 09 FM AMEMBASSY ABUJA TO RUEHC/SECSTATE WASHDC PRIORITY 7374 INFO RUEHZO/AFRICAN UNION COLLECTIVE PRIORITY RUEHZK/ECOWAS COLLECTIVE PRIORITY RUEHOS/AMCONSUL LAGOS PRIORITY 2202 RHMFISS/HQ USAFRICOM STUTTGART GE PRIORITY RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY RHEHNSC/NSC WASHINGTON DC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RUEKDIA/DIA WASHDC PRIORITY RHMFISS/HO USEUCOM VAIHINGEN GE PRIORITY RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 ABUJA 001996

SIPDIS

STATE FOR AF/FO, AF/W, AF/RSA, DRL, INR/AA; USAID FOR AFR/WA (DALZOUMA)

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SUBJECT: NIGERIAN NUGGETS -- OCTOBER 30, 2009

REF: ABUJA 1949

Classified By: Political Counselor James P. McAnulty for reasons in Sections 1.4 (b) and (d).

11. (U) Mission Nigeria provides the following compilation of recent political, economic, and social developments not previously reported.

PLATEAU JUDICIAL COMMISSION SUBMITS REPORT

12. (SBU) The Plateau State Judicial Commission of Inquiry set up to investigate the November 2008 violence submitted its report October 27 to Governor Jonah Jang of the People's Democratic Party. According to the press, Jang promised his administration would implement the report's recommendations, not yet released to the public. Perhaps not coincidentally, the PDP Plateau State Branch alleged that disgruntled individuals had planned protests to try to discredit the Jang administration. State Police Commissioner Gregory Anyanting told the press October 26 that authorities had recovered leaflets containing plans to attack, burn, and bomb areas in Jos. Mission volunteers who participated in a volunteer project October 17 to refurbish basketball and volleyball courts used by peace clubs in Jos had not witnessed any tensions. Moreover, Political Specialist, who visited Jos October 24, said even neighborhoods prone to conflict remained calm, and he had not heard any rumors of violence.

HOW TO STOP HUMAN TRAFFICKING AT THE VISA WINDOW

¶3. (U) The monthly meeting of the Consular Club of Abuja, hosted by the Mission October 29, welcomed Investigation and Monitoring Director Muhammad Babandede of Nigeria's National Agency for the Prevention of Trafficking in Persons (NAPTIP). Babandede explained concrete steps Consular Officers can take to notify authorities of suspected trafficking from information obtained during visa interviews. Such advice will allow Consular Officers to go beyond a simple individual visa refusal to stop a crime before it is committed. Thirty-seven consular officers from various European, African, and Caribbean Embassies attended the meeting.

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14. (U) Kentucky Fried Chicken (KFC) Nigeria Chief Executive Officer Marc Schreuder said the international brand will open its first franchise store in late November. Speaking at a Lagos roundtable organized by the Anti-Counterfeiting Collaboration of Nigeria on October 26, Schreuder said convincing KFC to grant rights to Nigeria took seven years, because of multiple challenges including lack of Intellectual Property Rights and judicial protection, poor infrastructure, and high import costs. Brand owners will monitor the Nigerian franchise closely and audit stores twice yearly to maintain standards, failing which the rights will be withdrawn. Schreuder said KFC had to import all equipment by air to avoid port delays, making a more expensive start-up than planned. He said he expects the brand to succeed, however, because studies have shown the Nigerian market has a Qhowever, because studies have shown the Nigerian market has a distinct hunger for established international brands. He anticipates other global brands, like McDonald's and Burger King, will be willing to grant rights to Nigeria, if KFC succeeds.

## NOKIA CHALLENGED BY FAKE PHONE MARKET

 $\underline{\mathbf{1}}$ 5. (U) Nokia Nigeria's head of retail marketing, Marcel Van de Pas, said Nokia decided to set up shop in the country in 2006 because of Nigerians' 90 percent preference for its brand and lack of phones by over 80 million people at time.

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Van de Pas said fake Nokia phones with dual SIM capacity entered the Nigerian market in late 2008, and the gray market of fake Nokia phones has been growing since. He said 15 percent of all mobile phones in Nigeria are fake. Van de Pas explained that, because Nigerians do not believe in warranties, they prefer to buy cheaper fake phones that are more easily replaced when lost or stolen. Nokia has had to introduce awareness campaigns to inform consumers of where to buy and how to identify original Nokia phones and to educate owners about their rights under a warranty.

## LACK OF PORT SECURITY DISAPPOINTS COAST GUARD

16. (C) A U.S. Coast Guard International Port Security (IPS) team visited Lagos ports October 18 to 22. The team inspected the Apapa bulk terminals and the Greenview Development Nigeria Limited in Apapa. The IPS team had previously visited the ports March 30 to April 4, and were disappointed to find security still lacking almost seven months later. Nigeria still did not comply with the International Ship and Port Security Code (ISPS). This trip involved the third formal USCG/IPS visit to Nigeria since December 2006. The IPS team also traveled to Abuja to discuss future plans on visiting ports in the Niger Delta region. The IPS Team will issue a full report on the trip in a few weeks.

## OIL REVENUE FIGURES

17. (SBU) The GON released revenue figures for the second quarter of 2009, which showed that, overall, revenue dropped by 30 percent and the GON collected no gas taxes. Royalties, however, came in higher than budgeted. Based on a combined royalty rate of 18 percent, and an average price per barrel of 55 dollars, Nigeria averaged 1.3 million barrels per day during the second quarter. This undoubtedly declined during the May 2009 spike in Delta violence. In August 2009, industry claimed production amounted to about one million

barrels per day (bpd), while the GON claimed a higher number -- up to two million bpd.

## POLIO IMMUNIZATION CAMPAIGN

18. (U) As noted earlier (reftel), U.S. and local Mission staff served as independent monitors during the October 11 to 14 supplemental polio immunizations campaign in the Federal Capital Territory (FCT), conducting immunization coverage surveys in the wake of the FCT's immunization teams. While ward supervisors indicated optimistic results during the nightly debriefing that followed the campaigns, Mission volunteers reported wide gaps in immunization coverage, suggesting the possibility of over-reporting by immunization teams. World Health Organization (WHO) representatives expressed concern at the discrepancy, emphasizing the need for immunization teams to take their responsibilities to eliminate polio in the FCT more seriously. Mission volunteers' participation in the campaign not only uncovered important shortcomings in the polio campaign, but also showcased U.S. commitment to help Nigeria interrupt polio Qshowcased U.S. commitment to help Nigeria interrupt polio transmission.

COUNTRY PARTNERSHIP STRATEGY LAUNCHED

19. (U) The Country Partnership Strategy, a three-year joint development strategy by USAID, the African Development Bank, UK Department for International Development, and the World Bank, was officially began during the week of October 26 in Abuja. The four partners -- who account for over 80 percent of annual development assistance to Nigeria -- developed and agreed to the joint strategy to ensure a more effective support, closer coordination of activities, and greater transparency in their relationships with Nigerian

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counterparts. The CPS -- based on three main pillars involving non-oil growth, human development, and governance -- encompasses USAIDS's five major Assistance Objectives. A wide cross-section of the donor community, government, and civil society attended the launch. Additional dissemination events will occur in Lagos and Kano states.

110. (U) Embassy Abuja and Consulate General Lagos collaborated on this telegram.

SANDERS